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Beginning Today Canada's New Government Is Providing Funding to the Provinces and Territories to Restore Fiscal Balance

The Honourable Jim Flaherty, Minister of Finance, confirmed that with the passage of Bill C-52, $39 billion in new funding over the next seven years will start flowing to the provinces and territories today.

"I am proud of Budget 2007 and our fiscal balance package," said Minister Flaherty. "This is a turning point in our history. Canada's New Government dealt with the difficult issue of fiscal balance and provided a fair and reasonable solution that is principle-based and predictable—something the provinces and territories have been seeking for decades."

The new and strengthened Equalization program will provide more than $12.7 billion to Equalization-receiving provinces this year. And the new and strengthened Territorial Formula Financing program will provide a total of $2.2 billion to the three territories this year.

Starting today $2.4 billion will be provided to provinces and territories through third-party trusts:

- $1.519 billion to the Clean Air and Climate Change Trust to support projects that target reductions in greenhouse gas emissions and air pollutants;
- $612 million to the Patient Wait Times Guarantee Trust to accelerate the implementation of patient wait times guarantees; and
- $300 million to the HPV Immunization Trust for the purchase of human papillomavirus vaccine to prevent cervical cancer in girls and women.

The Government is also transferring to provinces and territories an additional $250 million in 2007–08 for the creation of new child care spaces.

Additional information on Budget 2007's Fiscal Balance Plan is available on the Department of Finance website.

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